

August 10, 2011

**Los Angeles County
Board of Supervisors**

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM:  Mitchell H. Katz, M.D.
Director

SUBJECT: **STATUS REPORT ON THE IMPLEMENTATION OF THE
1115 MEDICAID WAIVER**

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*To ensure access to high-quality,
patient-centered, cost-effective
health care to Los Angeles County
residents through direct services at
DHS facilities and through
collaboration with community and
university partners.*

On November 16, 2010, your Board directed the Chief Executive Officer (CEO), the Interim Director of the Department of Health Services (DHS), and the Directors of Mental Health (DMH) and Public Health (DPH) to report back to the Board within 30 days and monthly thereafter on a proposed plan to implement the Medicaid Waiver (Waiver). On December 7, 2010, your Board directed the CEO and the Directors of DHS and DMH to work with the Association of Community Human Service Agencies and the Community Clinic Association to report back to the Board within 60 days on a timeline and process to identify program sites to pilot the concept of patient-centered behavioral health care homes.

The CEO initially reported to your Board on the first two motions referenced above on November 31, 2010, with updates dated January 31, March 10, April 6, May 5, June 9, and July 13, 2011. These reports were structured in accordance with 12 specific planning elements in the two motions. Now that we are in the implementation phase on all elements, we plan to focus the reports on the most updated information relevant to these motions such as major developments and enrollment trends in Healthy Way LA (HWLA) and Seniors and Persons with Disabilities (SPDs) in managed care, and progress on key components of the Waiver, such as the Delivery System Reform Incentive Payment Pool (DSRIP). We will target distribution for the 15th of each month.

HEALTHY WAY LA – LOW INCOME HEALTH PROGRAM (LIHP)

DHS received notice that it met all program requirements by the July 1, 2011 deadline and DHS implemented its program on July 1, 2011. A contract template was completed by the State and County-specific contracts are expected to be signed by September 30, 2011.

The HWLA-Matched network consists of DHS facilities, Community Partner (CP) clinics, and contracted hospitals. New HWLA agreements with CPs, covering HWLA Matched and Unmatched Services were approved by your Board on June 14, 2011 replacing previous Public Private Partner (PPP) contracts, HWLA



contracts and SB 474 contracts. An agreement was signed with Antelope Valley Hospital. DHS is finalizing negotiations with Santa-Monica-UCLA Medical Center and with a private hospital for patients residing in the east San Gabriel Valley.

A total of 61,875 active members were grandfathered into the new program.

Starting July 1, the new HWLA program began. DHS launched Operation Full Enrollment, a three-month "all hands on deck" campaign to ramp up enrollment, utilizing as many DHS staff as possible in the process. DHS facilities have trained more staff to take HWLA applications and to communicate with potentially eligible, existing patients, as part of our "in-reach" work. During the month of July, 8,878 "in-reach" contacts were made with patients, and a total of 3,447 new enrollments were approved, over double the monthly average from the previous 12 months. In addition, 393 individuals were enrolled at CP clinics, and 173 at DMH facilities.

There are new, more time-consuming enrollment requirements under this version of HWLA, compared with the previous program. We estimate a backlog of well over 1,000 completed applications at DHS and CP sites. Key barriers creating the backlog have been identified and are being addressed. We have been doing site visits of DHS and CP clinics to learn and share best practices and to find ways to improve the process and make enrollment more efficient and easy for the patients.

ENROLLMENT OF SPDs IN DHS

As of July 14, 2011, the net SPD L.A. Care enrollees assigned to DHS for their primary care homes is 8,231, compared with a two-month target of 5,000. The original intent in enrollment planning between DHS and L.A. Care was to enroll SPD patients that have previously received care from DHS. However, there is a challenge with membership assignment at the State level to meet this original intent. A recent analysis showed that, of the assigned SPD patients, only 52% have used a DHS facility and only 12% have visited a DHS primary care provider in the past 18 months. Therefore, many of the new SPD enrollees are not familiar with the DHS system. The new influx of SPD patients to DHS has resulted in a noticeable increase in calls to DHS. In order to improve services for patients, DHS and L.A. Care staff are meeting regularly and working collaboratively to improve our care coordination and care transition processes.

The next status report to your Board is targeted for September 15, 2011.

If you have any questions, please contact me or Dr. Alexander Li, Ambulatory Care Chief Executive Officer, at 213-240-8344.

MHK:JFS:jp/vlr

c: Chief Executive Office
Executive Office, Board of Supervisors
County Counsel
Department of Mental Health
Department of Public Health